

Green Facts

Insurance Requirements for Pesticide Operator Licences

The Ministry of the Environment pesticide licensing program is regulated by the *Pesticides Act* and Regulation 63/09. The Environmental Assessment and Approvals Branch manages licensing for the sale, storage, use, transportation and disposal of federally registered and provincially classified pesticides. This fact sheet provides information on insurance requirements for owners of a pesticide extermination business and for insurance companies that provide the insurance coverage required by the *Pesticides Act*.

Do I require insurance to operate an extermination business?

Yes. All licensed operators are required to hold valid insurance that meets the criteria defined in Regulation 63/09. The insurance coverage must be valid during the term that the operator is carrying on an active extermination business.

I already have automotive insurance and/or business insurance. Is that enough?

Most automotive and/or business insurance policies do not provide coverage that meets the specific requirements of Regulation 63/09 (see reverse). In all likelihood, you will need separate insurance coverage for your extermination business.

What happens if I do not have insurance or do not have the correct insurance coverage?

You cannot operate an extermination business in Ontario without insurance coverage that meets the requirements set out in Regulation 63/09. Contact your insurance provider of choice immediately to arrange for the appropriate insurance coverage.

Once appropriate insurance coverage has been arranged, contact the Environmental Assessment and Approvals Branch at 1-800-461-6290 to provide the updated information. Persons found operating an extermination business without the proper insurance coverage could have their operator licence suspended and could face fines and/or charges under the *Pesticides Act*.

What are the insurance requirements for licensed operators?

A licensed operator must have specific insurance coverage that covers the operation of their pest control business. Regulation 63/09 details the specific insurance requirements for licensed operators. Under s.93 of this regulation, a contract of insurance (insurance policy) for a pest control business must include:

1. Liability coverage of at least \$25,000 for each employee of the pest control business, provided that the insurance policy may limit the insurer's liability for any one incident to \$50,000. If the pest control business is covered under the *Workplace Safety and Insurance Act* and is paying all premiums and other amounts due under that Act, the insurance policy does not need to contain this liability coverage.
2. Comprehensive coverage in the amount of at least \$1,000,000 with respect to death, injury or property damage arising out of any one incident.
3. Pollution coverage for emissions or discharges of chemicals into the environment as part of the business operated under authority of the licence in the amount of at least \$200,000 with respect to death, injury or property damage arising out of any one incident.
4. Liability coverage in the amount \$100,000 with respect to death or injury arising out of any one incident; and \$25,000 with respect to property damage arising out of any one incident if the pest control business involves the airborne application of pesticides.
5. A clause requires the insurer to give 30 days notice before any cancellation of the insurance by either the insurer or the insured. The 30 day notice must be provided by registered mail to the Director, Environmental Assessment and Approvals Branch, Ministry of the Environment. The contract of insurance shall remain in full force until after the 30 day notice period has expired.

The information contained in this document is of a general nature only and is not intended to constitute advice for any specific situation. Please note that the texts of many Ontario statutes and regulations are available on the Internet at www.e-laws.gov.on.ca.

For more information about pesticide licensing or to obtain an application package, please contact:

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